

2 April 1976

MEMORANDUM FOR: Chief, Security Committee  
THROUGH : DDI Security Officer 47  
SUBJECT : Government-Owned, Contractor-Operated Labs in Support  
of ERDA  
REFERENCE : DCI Policy on Release of Foreign Intelligence to  
Contractors dtd 12 mar 76

This memorandum, addressed in accord with paragraph 4 of the referent, requests identification of those government-owned labs supporting ERDA that can receive classified support services per footnote 1, page 1 of the referent.



H. C. EISENBEISS  
Director, Central Reference Service

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[redacted]

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USIB-M-718  
1 April 1976

4. USIB Policy Paper on Information  
Release to Contractors  
(USIB-D-71.8/3, 8 December 1975)

The subject paper was revised by the Security Committee to conform with DCID No. 1/7, effective 5 October 1975. All USIB agency members concurred with CIA and ERDA concurrences qualified. The recommended changes were incorporated into the draft subject paper and circulated to the members of the Security Committee with the request that their concurrences or comments reflect the views of their agency or department; unanimous concurrences were received.

Accordingly, the Director of Central Intelligence approved circulation for implementation and guidance of all concerned of "DCI Policy on Release of Foreign Intelligence to Contractors." This Policy Paper has been circulated as USIB-D-71.8/4, 12 March 1976, and also circulated to holders of the Intelligence Directives Handbook.

5. ABC Aircraft Technical  
Intelligence Conference  
(USIB-D-10.8/71, 5 March 1976)

All USIB members on 26 March telephonically concurred in DIA's recommendation contained in the subject memorandum that the U. S. participate in the ABC Aircraft Technical Intelligence Conference, which is to be hosted by the [redacted] from 3-7 May 1976. The CIA Member advises that CIA will only send two representatives--one from OSR and one from OWI. The Office of the Director, DIA, has been advised of this Board action.

[redacted]

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USIB-D-71.8/4  
12 March 1976

UNITED STATES INTELLIGENCE BOARD

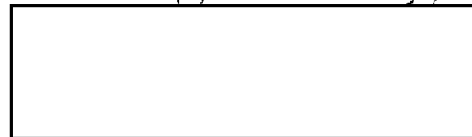
MEMORANDUM FOR THE UNITED STATES INTELLIGENCE BOARD

SUBJECT : DCI Policy on Release of Foreign  
Intelligence to Contractors

REFERENCES: a. USIB-D-71.8/3, 8 December 1975  
b. DCID No. 1/7, Effective 5 October 1975  
c. USIB-D-71.8/2, 2 April 1970

1. The attached Policy Paper on Information Release to Contractors, approved by the Director of Central Intelligence with the concurrence of the United States Intelligence Board, is circulated for implementation and guidance by all concerned.

2. This policy paper will also be circulated to all holders of the Intelligence Directives Handbook.



Executive Secretary

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Attachment

*Director of Central Intelligence*

*Policy on Release of  
Foreign Intelligence to Contractors*

12 March 1976

## DCI POLICY ON RELEASE OF FOREIGN INTELLIGENCE TO CONTRACTORS<sup>1</sup>

1. In order that the Intelligence Community agencies may more effectively discharge their responsibilities and without intent to limit such broader authority or responsibility as any may now have under law, NSC Directive, or special agreements among them, selected intelligence<sup>2</sup> may be made available by recipient officials of the Intelligence Community agencies or their designated subordinates to certain contractors without referral to the originating agency, provided that:

a. Release<sup>3</sup> shall be limited to private individuals (including consultants) or organizations certified by the Senior Intelligence Office of the sponsoring Intelligence Community agency as being under contract to the

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<sup>1</sup> "General policy is set forth in DCID No. 1/7, 'Control of Dissemination of Foreign Intelligence,' approved 7 August 1975 (effective 5 October 1975). In accordance with paragraph 5a(3) of DCID 1/7, the Intelligence Community agencies agree that Government-owned, contractor-operated laboratories performing classified services in support of the intelligence mission of the Energy Research and Development Administration, which are designated authorized channels by the ERDA Senior Intelligence Officer, are not considered contractors for the purposes of this policy statement."

<sup>2</sup> This Directive deals solely with foreign intelligence, which for purposes of this Directive, is defined as information reports and intelligence produced and disseminated by CIA, INR/State, DIA, NSA, ACSI/Army, Naval Intelligence Command, ACSI/Air Force, ERDA and the military commands. This specifically excludes Foreign Service reporting and Sensitive Compartmented Information\* (SCI). Permission to release Foreign Service reporting must be obtained from the Department of State, and permission to release SCI must be obtained from its originator. SCI is covered specifically by paragraph 3 of this Directive, in that it bears one or more codewords or special instructions which dictate handling in special dissemination channels.

\*The term "Sensitive Compartmented Information" as used in this Directive is intended to include all information and materials bearing special community controls indicating restricted handling within present and future community intelligence collection programs and their end products for which community systems of compartmentation have been or will be formally established. The term does not include Restricted Data as defined in Section II, Public Law 585, Atomic Energy Act of 1954, as amended.

<sup>3</sup> Release is the visual, oral or physical disclosure of classified intelligence material.

United States Government for the purpose of performing classified services in support of the mission of a member agency,<sup>4</sup> his department or service, as having a need-to-know, and as possessing the required security clearances.

b. The responsibility for ensuring that releases to contractors are made pursuant to this policy statement shall rest with the Senior Intelligence Officer of the sponsoring member agency (i.e., the chief of the intelligence component seeking release on his own behalf or on behalf of a component within his department or service) or his designee.<sup>5</sup>

c. The agency releasing the intelligence material shall maintain a record of the material released and shall upon request report such releases to the originating agency.

d. Intelligence material released to a contractor does not become the property of the contractor and can be withdrawn from him at any time. Upon completion of the contract, the releasing agency shall assure that all intelligence materials<sup>4</sup> released under authority of this agreement and all other materials of any kind incorporating data from such intelligence materials are returned to the releasing agency for final disposition.

e. Contractors receiving intelligence material will not release the material (1) to any activity or individual of the contractor's organization not directly engaged in providing services under the contract, nor (2) to another contractor (including a subcontractor), government agency, private individual or organization without the consent of the releasing agency (which shall verify that the second contractor has a need-to-know and meets security requirements).

f. Contractors will ensure that intelligence material will not be released to foreign nationals whether or not they are also consultants, US contractors or employees of contractors, and regardless of the level of their security clearance, except with the specific permission of the originating agency.

g. Contractors shall be required to maintain such records as will permit them to furnish, on demand, the names of individuals who have had access to intelligence materials in their custody.

h. Contractors may not reproduce any material released without the express permission of the agency having contractual responsibilities. All requirements for control and accountability for original documents as indicated above shall apply equally to copies made.

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<sup>4</sup> Non-Intelligence Community Government components under contract to fulfill an intelligence support role, may be treated as members of the Intelligence Community rather than as contractors. When so treated, it shall be solely for the specific purposes agreed upon, and shall in no case include authority to disseminate further intelligence material made available to them.

<sup>5</sup> Releasing agencies are required to delete: a) the CIA seal, b) the phrase "Directorate of Operations," c) the place acquired, d) the field number and e) the source description from all CIA Directorate of Operations reports passed to contractors, unless prior approval to release such information is obtained from CIA.

2. The following intelligence materials *shall not* be released to contractors:

National Intelligence Estimates (NIEs), Special National Intelligence Estimates (SNIEs), National Intelligence Analytical Memoranda and Inter-agency Intelligence Memoranda are not releasable and hence shall bear the NOT RELEASABLE TO CONTRACTORS OR CONTRACTOR/CONSULTANTS stamp. However, information contained therein may be made available, without identification as national intelligence, over the byline of the Senior Intelligence Officer of the Intelligence Community agency authorizing its release.

3. The following intelligence materials *shall not* be released to contractors unless special permission has been obtained from the originator:

Materials which by reason of sensitivity of content bear special markings, such as NOT RELEASABLE TO CONTRACTORS OR CONTRACTOR/CONSULTANTS or CAUTION—PROPRIETARY INFORMATION INVOLVED contained in DCID 1/7 (effective 5 October 1975) or which are marked for handling in special dissemination channels.

4. Questions concerning the implementation of this policy and these procedures shall be referred for appropriate action to the Security Committee.

ROUTE TO	ACTION	SIGNATURE	ORIGINATOR (Symbol)	TELEPHONE NO.	DATE
			SECOM	5383	9 March 76
			ACTION OFFICER		
			NAME AND SIGNATURE <i>[Signature]</i>		
			Chairman, Security Committee		
			CONTROL & COPY NUMBER		TYPIST'S INITIALS
					mm

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## SUBJECT

DCI Policy Paper on Information Release to Contractors

## SUMMARY

**PURPOSE:** Forwarded herewith is a memorandum for the Director recommending his approval of a revised "DCI Policy Paper on Information Release to Contractors." Also attached is a proposed response to General Giller, ERDA, for the DCI's signature, on the same subject.

**BACKGROUND AND DISCUSSION:** After the DCI approved DCID 1/7, the USIB Secretariat requested a review of subject policy paper to ensure conformance with the new DCID. The Security Committee revised this paper and forwarded it to the Board on 26 November 1975. During USIB coordination, ERDA recommended an expansion of footnote 1 to exclude their laboratories from the NOCONTRACTOR controls of DCID 1/7.

Gen. Giller sent two letters to the DCI, dated 24 December 1975. One designated the intelligence components of the National Weapons Laboratories as "authorized" channels for foreign intelligence. The second letter asked that USIB agencies be informed that the NOCONTRACT provisions of DCID 1/7 do not apply to ERDA laboratories designated "authorized channels."

Responses were delayed to these two letters pending coordination and approval of the policy paper.

**RECOMMENDED ACTION:** This coordination has now been completed in the community and it is recommended that you sign the attached memo to the DCI forwarding for his approval the new policy paper and the response to General Giller's letters.

**REFERENCES:**

- (A) Vote Sheet on DCI Policy Paper on Information Release to Contractors
- (B) Ltr to DCI from Gen. Giller, dated 24 December 1975 (ER 75-10482)
- (C) Ltr to DCI from Gen. Giller, dated 24 December 1975 (ER 75-10482/1)
- (D) USIB-AM-2/75, 14 August 1975



9 MAR 1976

DCI/IC 76-3702

MEMORANDUM FOR: Director of Central Intelligence

FROM : E. H. Knoche  
Acting Deputy to the DCI for the Intelligence  
Community

SUBJECT : DCI Policy Paper on Information Release to  
Contractors

REFERENCE : USIB-AM-2/75, 14 August 1975

1. On 8 August 1975 the DCI with the concurrence of the then USIB approved DCID 1/7, "Control of Dissemination of Foreign Intelligence," which became effective on 5 October 1975. Reference requested the IHC to review subject paper to ensure conformance with the new DCID. This matter was referred to the Security Committee as being more of a security issue than a matter of IHC business.

2. The Security Committee revised this policy paper to conform with the new DCID 1/7 and forwarded it to the Board on 26 November 1975 with the recommendation that it be reissued as an unclassified document. When it was circulated to Board members, all concurred with the CIA and ERDA concurrence qualified. CIA suggested some non-substantive changes which have now been incorporated. ERDA requested an expansion of footnote 1 on page 1 to exclude ERDA's laboratories from the "contractor" category requiring authorization for dissemination of intelligence information called for in DCID 1/7.

3. The recommended changes were circulated to the members of the Security Committee with the request that their concurrence or other comments reflect the views of their agency or department. Unanimous concurrence has now been received for publication of the attached revised policy paper.

4. Also attached is a proposed response to General Giller's two letters dated 24 December 1975 in which he expressed concern

about the flow of information to ERDA's weapons laboratories under the dissemination controls of DCID 1/7. He asked that Intelligence Community agencies and departments be informed that the provisions of DCID 1/7 requiring permission of the originating agency prior to dissemination of intelligence to contractors does not apply to those ERDA laboratories designated as authorized channels (e.g., Oak Ridge, Los Alamos, Lawrence Livermore and Sandia-Albuquerque).

5. This revised policy paper on information release to contractors exempts ERDA's laboratories and provides the requested relief.

6. It is recommended that you:

(a) Approve the attached policy paper as an unclassified document.

(b) Sign the attached response to General Giller.

[Redacted Signature]

E. H. Knoche

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Attachments:

- A - DCI Policy Paper
- B - Letter to Maj. Gen. Giller

APPROVED:

BUSH  
Director of Central Intelligence

12 MAR  
Date

DCI POLICY ON RELEASE  
OF FOREIGN INTELLIGENCE TO CONTRACTORS<sup>1/</sup>

1. In order that the Intelligence Community agencies may more effectively discharge their responsibilities and without intent to limit such broader authority or responsibility as any may now have under law, NSC Directive, or special agreements among them, selected intelligence<sup>2/</sup> may be made available by recipient officials of the Intelligence Community agencies or their designated subordinates to certain contractors without referral to the originating agency, provided that:

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2/ This Directive deals solely with foreign intelligence, which for purposes of this Directive, is defined as information reports and intelligence produced and disseminated by CIA, INR/State, DIA, NSA, ACSI/Army, Naval Intelligence Command, ACSI/Air Force, ERDA and the military commands. This specifically excludes Foreign Service reporting and Sensitive Compartmented Information\*(SCI). Permission to release Foreign Service reporting must be obtained from the Department of State, and permission to release SCI must be obtained from its originator. SCI is covered specifically by paragraph 3 of this Directive, in that it bears one or more codewords or special instructions which dictate handling in special dissemination channels.

3/ Release is the visual, oral or physical disclosure of classified intelligence material.

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Senior Intelligence Office of the sponsoring Intelligence Community agency as being under contract to the United States Government for the purpose of performing classified services in support of the mission of a member agency<sup>4/</sup>, his department or service, as having a need-to-know, and as possessing the required security clearances.

b. The responsibility for ensuring that releases to contractors are made pursuant to this policy statement shall rest with the Senior Intelligence Officer of the sponsoring member agency (i. e., the Chief of the intelligence component seeking release on his own behalf or on behalf of a component within his department or service) or his designee<sup>5/</sup>.

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special community controls indicating restricted handling within present and future community intelligence collection programs and their end products for which community systems of compartmentation have been or will be formally established. The term does not include Restricted Data as defined in Section II, Public Law 585, Atomic Energy Act of 1954, as amended.

4/ Non-Intelligence Community Government components under contract to fulfill an intelligence support role, may be treated as members of the Intelligence Community rather than as contractors. When so treated, it shall be solely for the specific purposes agreed upon, and shall in no case include authority to disseminate further intelligence material made available to them.

5/ Releasing agencies are required to delete: a) the CIA seal, b) the phrase "Directorate of Operations," c) the place acquired, d) the field number and e) the source description from all CIA Directorate of Operations reports passed to contractors, unless prior approval to release such information is obtained from CIA.

d. Intelligence material released to a contractor does not become the property of the contractor and can be withdrawn from him at any time. Upon completion of the contract, the releasing agency shall assure that all intelligence materials released under authority of this agreement and all other materials of any kind incorporating data from such intelligence materials are returned to the releasing agency for final disposition.

e. Contractors receiving intelligence material will not release the material (a) to any activity or individual of the contractor's organization not directly engaged in providing services under the contract, nor (b) to another contractor (including a subcontractor), government agency, private individual or organization without the consent of the releasing agency (which shall verify that the second contractor has a need-to-know and meets security requirements).

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4. Questions concerning the implementation of this policy and these procedures shall be referred for appropriate action to the Security Committee.

THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20505

12 March 76

Major General Edward B. Giller, USAF (Ret.)  
Deputy Assistant Administrator for National  
Security  
Energy Research and Development  
Administration  
Washington, D. C. 20545

Dear General Giller:

Thank you for your letters of 24 December 1975 regarding your concern about the flow of information to ERDA's weapons laboratories under the foreign intelligence dissemination controls of DCID 1/7 (effective 5 October 1975) and your designation of ERDA's primary referent for interagency consultation concerning utilization of intelligence.

As you will recall the "DCI Policy Paper on Information Release to Contractors" was revised by the Security Committee and circulated to the community in December 1975. At that time ERDA expanded footnote 1 of this paper to exclude ERDA's laboratories from the "contractor" category requiring authorization for dissemination of intelligence information called for in DCID 1/7.

I have now approved this policy paper and it will soon be disseminated to the community. This should alleviate your dissemination problems and enable you to continue your valuable intelligence contribution without interruption.

Sincerely,

/s/

George Bush

DISTRIBUTION

Memo to Director

Orig - SECOM (7C35)

1 - DCI with Att. A and B  
1 - DDCI " "  
1 - ER " "  
1 - Acting D/DCI/IC " "  
1 - IC Reg " "  
1 - SECOM " "

DCI Policy Paper

Orig - USIB/S

1 - DCI  
1 - DDCI  
1 - ER  
1 - Acting D/DCI/IC  
1 - IC Reg.  
1 - SECOM

Letter to Gen. Giller

Orig - Adse

1 - DCI  
1 - DDCI  
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1 - Acting D/DCI/IC  
1 - IC Reg.  
1 - SECOM

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